Condition imposed on Pepsico

2200. SHRI MISA R. GANESAN:
SHRI N. GIRI PRASAD:
SHRI V. NARAYANASAMY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government had while granting approval to Pepsico Inc. imposed a condition that the proposed holding company would not fund any project without prior approval of Government.

(b) whether the approval of Government had imposed a further condition that investment by the holding company in India in any venture shall be subject to the prescribed approvals under relevant rules and regulations;

(c) whether the Pepsico India Holdings has made investments in three companies viz, (i) Aradhana Soft Drinks Co. (ii) Aradhana Snack Foods Co. and (iii) Aradhana Fruit and Food Products Company; and

(d) if so, whether prior approval of Government was sought by Pepsico India Holdings for each such investment?

THE MINISTER-OF STATE IN THE MINISTRY OF FINANCE (DR. DEB1 PROSAD PAL): (a) Pepsico have tjeen permitted to set up a 100% holding company which may invest in Indian subsidiary companies or joint venture or engage directly in certain business activities.

(b) Yes, Sir.

(c) and (d) The information is being collected and will be laid on the Table of the House.

Delisting of Issue of Reliance Industries

2201. SHRI OP. KOHLI:
SHRI SANGH PRIYA GAUTAM:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-items captioned "BSE, RIL head for showdown on delisting issue". New turn to Reliance, BSE tussle" and "Reliance Ke Tevar" appearing in the Financial Express, Hindustan Times and Nav Bharat Times of 29th November, 1995;

(b) if so, the facts thereof; and

(c) the action Government propose to take in the matter; including .safeguarding the interests of the investors and stopping the listing of RIL shares in the stock exchanges all over the country till the floating of duplicate shares in the market is sorted out?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL): (a) Yes, Sir.

(b) The Securities and Exchange Board of India (SEBI) has indicated that as per information provided by Reliance Consultancy Services Ltd. (RCS), which is the share transfer agent of RIL, the company has issued a total number of 4.47 lakh duplicate shares since January 1991 to various shareholders after following certain procedures. RIL and three other group companies had recently sent letters to the Bombay Stock Exchange to give its consent to the delisting of the securities of these companies. RIL and the other group companies have since withdrawn their request for delisting.

(c) Delisting the securities of RIL from all the Stock Exchanges would adversely affect the interest of the investors.The inspection of RCS by SEBI is in progress and if any irregularities arc detected, SEBI would take appropriate action to protect the interests of investors.